

SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

STAFF REPORT

MEETING DATE: December 17, 2008

SUBJECT: Intercity Rail Update and Status of Federal Legislation

SUMMARY

This staff report requests 4 policy actions and provides a brief update on a variety of passenger rail related topics, as follows:

- Program the remaining \$23,000 of remaining Proposition 116 funds
- Approve the FREE rail to bus transfer pass agreement
- Authorize a letter to Caltrans to secure part of the High Speed rail funds for the Coast
- Support inclusion of rail projects in federal “economic stimulus” proposals

Provide a status on new federal Amtrak legislation and other informational updates.

RECOMMENDATIONS

- Staff:**
- 1) Authorize staff to program the remaining \$23,000 in Proposition 116 funds on the Paso Robles Train Station
 - 2) Ratify Executive Director’s signature for rail to bus transfer agreement (D-4-4)
 - 3) Authorize letter to Caltrans to request a portion of the High Speed Rail Bond funds (*included in addendum*)
 - 4) Support inclusion of rail projects in federal “economic stimulus” proposals

CTAC: Support staff recommendation

TTAC: Support staff recommendation

DISCUSSION

Proposition 116 funds to Paso Robles – Staff was recently notified the region has \$23,000 of unexpended Proposition 116 funds rail bond funds. Proposition 116 provided \$10 million to the region in the early 1990’s. Proposition 116 was allocated on rail projects (\$3 million), bikeway projects (\$3 million) and transit projects (\$4 million). The (yellow) tactile edge on the Paso Robles Train station platform needs replacement and is estimated to cost \$120,000. Amtrak has agreed the pay up to \$60,000, and the remaining \$37,000 will compete for Proposition 1B Transit funds in February, 2009. SLOCOG staff recommends the \$23,000 in rail bond funds be directed to this project.

Rail to Bus Transfers – Since 2005 SLOCOG, Amtrak, SCAT, RTA and SLO Transit have participated in a free transit transfer pass for rail passengers. The program allows some passengers to reach their final destination with out a vehicle. The local transit systems are reimbursed for each transfer collected, and SLOCOG can tin terms be reimbursed by the State.

High Speed Rail - California’s \$10 billion High Speed Rail Bond measure passed in November so the Coast Corridor is able to compete for \$47 million in capital funds. Each of the three state-supported corridors (*Pacific Surfliners, Capitols, San Joaquins*) is guaranteed \$47 million, and Caltrans will select projects for \$47 million for each corridor. Of the remaining \$9.7 billion, about \$700 million will go to commuter rail systems (i.e. Caltrain, Metrolink, BART etc.), and \$9 billion for the high speed rail system in the San Joaquin Valley. Staff believes the SLOCOG Board should support a letter urging Caltrans to use some of these funds for coast route improvements.

Amtrak Related Update

1) Federal Railroad Safety Improvement Act

On October 16, 2008, President Bush signed H.R. 2095, the Federal Railroad Safety Improvement Act. H.R. 2095 reauthorizes Amtrak and provides a total of \$12.9 billion over five years and encourages the development of new and improved intercity passenger rail service through an 80/20 percent federal/state matching grant program consistent with the SLOCOG Board position. The bill represents a dramatic change from recent Amtrak negotiations.

For FY 2009 alone, the bill would authorize close to \$2 billion, compared with \$800 million requested by the Administration and the \$1.7 billion sought by Amtrak itself.

The bill also provides \$1.5 billion for the planning and development of 11 high-speed rail corridors that includes "the California Corridor." The legislation authorizes \$325 million, an average of \$65 million per year, out of the state capital grant program for "congestion grants" to Amtrak and the states for high-priority rail corridors to increase capacity along certain lines in order to reduce congestion and facilitate rail ridership growth. A federal intercity rail grant program would be beneficial to states such as California, which has historically invested significant state and local funding to improve its intercity rail corridors.

In addition to the Amtrak and intercity rail provisions, the measure reauthorizes the Federal Railroad Administration (FRA) and provides \$1.625 billion for the nation's rail safety program over the period encompassing FY 2009 through FY 2013. The authorization of the rail safety program expired a decade ago, in 1998.

H.R. 2095 also mandates the installation of positive train control (PTC) systems. PTC is a system of monitoring and controlling train movements to provide increased safety. Trains equipped with PTC receive information about its location and where it is allowed to safely travel. PTC is an alternative to conventional railway signaling in which equipment located along the track provides the information, and the engineer supplies the enforcement. The bill requires all Class I railroads and intercity passenger and commuter railroads to implement a PTC system by December 31, 2015, on all main-line track where intercity passenger railroads and commuter railroads operate and where hazardous materials are transported. This includes the coast rail corridor. The legislation includes a grant program for the deployment of various PTC technologies. While rail agencies in our corridor such as NCTD are supportive of these measures, they remain concerned with funding and availability of PTC technologies.

Other highlights of the bill include grade crossing safety, rail bridge safety program, and rail passenger disaster family assistance.

2) FY 2009 Appropriations

Congress will not finalize the FY 2009 appropriations bills until early 2009. In the interim, Amtrak's funding is being provided via a continuing resolution set at the FY 2008 level (\$1.325 billion) until March 6, 2009.

3) Economic Stimulus

At the time of the October recess, there were two economic stimulus bills moving in Congress and since the election, Congressional leaders have discussed their willingness to continue these talks when Congress reconvenes later this month. SANDAG and Metro have discussed the inclusion of LOSSAN corridor projects on proposed project lists. SLOCOG staff request rail projects be included.

Wireless Fidelity (Wi-Fi) at Train Stations - Staff is working on a local and *Pacific Surfliner* corridor wide project to install wi-fi access at all train stations. Providing this service would allow passengers to check train status and connect to the internet for other purposes. Discussions include future provisions for on-board wi-fi, or wi-max, which is a much more complex and extensive project. Due to the State's and Amtrak's precarious funding environment the last several years, little progress has been made in these areas. However, new hope is emerging with Amtrak reauthorization and State bond funds.

\$25 Million for the Coast Daylight – As you may recall, the California Transportation Commission approved \$25M for capital improvements along the Coast Corridor to upgrade tracks, signals, and sidings. Caltrans has a signed agreement with the Union Pacific Railroad to specifically identify and engineer these projects. Additionally, Caltrans is currently seeking Union Pacific approval in order to access the tracks with an additional passenger train. New equipment is also needed prior to the start-up of the Coast Daylight service. Staff anticipates the service will not begin before April, 2011.

Intercity Rail Chairs Meeting - On December 12 the Chairs of each of the 3-state supported corridors, including Dave Potter (Monterey County Supervisor) and SLOCOG Chair John Shoals will meet to discuss at least the following issues:

Preliminary Agenda Topics:

- Statewide/Corridors Overview – Work to Date –
Caltrans Overview, Followed by Each Chair has 5-10 minutes
Action: Discussion
- Look Ahead – Joint Priorities/Strategies both at state and federal levels –
Action: Develop a set of joint principles to be transmitted to state, federal levels
Review CTC/CTA Principles, Metrolink PTC plan, Caltrans principles
- 2009 State Intercity Rail Day – Sacramento
Action: Set Tentative Date
- 2009 Federal Intercity Rail Day (Reauthorization) – DC
Action: Set Tentative Date
- Rail Equipment Procurement –
Action: Accelerate procurement
- California Representative on Amtrak Board
Action: Urge CA Senators to appoint CA rep

Intercity Rail Day(s) In Sacramento and Washington – In March 2009 staff will participate with other state-supported corridors to raise awareness of the huge success that California's intercity rail passenger program has become and to urge support for a stable capital funding program in the future. The statewide need is approximately \$160M per year, split evenly between \$80M for operating and \$80M for capital.

Platform Message Signs - Staff has been working with Amtrak to ensure platform message signs are operable at unstaffed stations along the "Pacific Surfliner Corridor", such as Grover Beach. The signs are now installed to show estimated arrival/departure times for Surfliner trains.

SLO Train Station Platform Lighting - The SLOCOG Board approved \$60K which will be matched with \$60K by Caltrans to replace the platform lights. About half of the lights are currently operable. SLOCOG has signed the agreement with Amtrak to complete the work.

Staff report prepared by Pete Rodgers

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 DIVISION OF RAIL
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Staff

ARC

RC

EG



*Flex your power!
 Be energy efficient!*

November 10, 2008

Pete Rodgers
 San Luis Obispo Council of Governments
 1150 Osos Street, Suite 202
 San Luis Obispo, CA 93401

Dear Mr. Rodgers:

The Department of Transportation (Department), along with its partner Amtrak, encourages train passengers to ride public transportation and to make the connection to their final destination. In order to provide a smooth transition from train to the local transit bus, the Department is renewing their Agreements for the Transit Transfer Pass Program. This program allows train passengers to receive a transit transfer pass to use on the local transit bus. The local transit agency will receive reimbursement for passes used by the train passengers.

The Amtrak conductors will provide the transit transfer passes upon request and validate the pass prior to giving the pass to the train passenger. The local transit agency bus driver then collects the transfer pass from the train passenger and submits the pass for reimbursement. The Department will reimburse the local transit agency for each transfer pass for reimbursement. The Department will reimburse the local transit agency for each pass collected based on a standard reimbursement rate up to an amount designated by the agreement.

I am enclosing six copies of the Transit Transfer Pass Agreement No. 75TP2009-11-004. Please have all six copies executed in blue ink, and return all six agreements to me at your earliest convenience.

If you have any questions, please feel free to call me at (916) 654-3894.

Sincerely,

CARLOS RUIZ
 Transit Transfer Pass Coordinator

Enclosure

NOV 12 2008

AGREEMENT BETWEEN CALIFORNIA DEPARTMENT OF TRANSPORTATION
AND SAN LUIS OBISPO COUNCIL OF GOVERNMENTS "SLOCOG"
FOR SUBSIDIZED TRANSIT TRANSFER PASSES

THIS AGREEMENT (hereinafter Agreement) is made and entered into effective this January 1, 2009, by and between the California Department of Transportation, (hereinafter DEPARTMENT), and the San Luis Obispo Council of Governments "SLOCOG" TRANSIT SYSTEM, (hereinafter AUTHORITY).

1. PURPOSE

The purpose of the Agreement is to set forth the duties and liabilities of each party regarding the establishment and operation of the Transit Transfer Pass Program between the DEPARTMENT and the AUTHORITY. With respect to the AUTHORITY, this program applies to their "SLOCOG" service.

2. TERM

This Agreement, effective on January 1, 2009, shall extend from that effective date on a year to year basis until the earliest of the date this Agreement is terminated for convenience or breach as provided in Articles 8 and 9, below, or its expiration on December 31, 2011, unless extended by Amendment.

3. TRANSIT TRANSFER PASS

The Transit Transfer Pass, hereinafter referred to as "Transfer Pass", shall consist of a formatted document mutually approved by the parties hereto, initially as shown in the sample appended hereto as Exhibit A and incorporated herein by this reference. Each Transfer Pass will be valid for a one-way trip, including any AUTHORITY issued transfer of a type regularly available to AUTHORITY paying passengers on AUTHORITY's fixed routes. A maximum of two one-way Transfer Passes can be distributed to each DEPARTED passenger. Each Transfer Pass will include reference to AUTHORITY, either by use of a logo or AUTHORITY's name and a serial number on each Transfer Pass. The Transfer Pass is valid for up to and through the day following issuance. The conductor will punch out the month and day following the date of travel and issuance of the Transfer Pass. Each Transfer Pass will include a calendar, in punch-out form, to be used for validation purposes by the issuing Amtrak train conductor. Changes to the Transfer Pass format and content are subject to the prior mutual approval of DEPARTMENT and AUTHORITY.

4. SCOPE OF TRANSIT SERVICES

Amtrak train conductors will provide the Transfer Pass to all requesting Surfliner Corridor passengers. AUTHORITY agrees to allow each holder of a valid Transfer Pass to ride its local fixed routes for one Trip commencing on that day of issuance as validated by the Amtrak conductor. AUTHORITY may unilaterally, and without notice or liability to DEPARTMENT, institute changes in the schedule, frequency, or routing of its local fixed routes and DEPARTMENT shall not be entitled to any credit or cost savings associated with such changes.

5. ISSUANCE OF PASSES

- A. By no later than January 1, 2009, DEPARTMENT will initiate implementation of the Transit Transfer Pass Program for Surfliner Corridor participants (Program), the consistent terms and conditions of which are incorporated herein.
- B. DEPARTMENT will authorize Amtrak to supply Transfer Passes for issuance to DEPARTMENT passengers at no cost to AUTHORITY. Amtrak conductors will issue Transfer Passes marked with the correct validation date to requesting passengers. Each Transfer Pass will be valid for one one-way trip on AUTHORITY's local fixed routes for the valid period of time as shown on that Pass. One Transfer Pass entitles the holder to an outbound trip and the other Transfer Pass entitles the holder to an inbound (return) trip.

6. COMPENSATION

- A. DEPARTMENT will reimburse AUTHORITY on a quarterly basis for the fare value of the Transfer Passes using the fare structure identified in Exhibit B to this Agreement, appended hereto and incorporated herein by this reference.
- B. The parties will review the fares set forth in Exhibit B within 30 days of any AUTHORITY change in its District system fares identified herein and will adjust the fares by an amendment to said Exhibit B or terminate the Agreement.
- C. AUTHORITY shall bear no cost or liability under this Agreement unless expressly set forth herein consistent with appropriated funding.

7. METHOD OF PAYMENT

- A. AUTHORITY shall invoice DEPARTMENT quarterly in arrears. Upon receipt of an acceptable invoice, DEPARTMENT will pay AUTHORITY's invoice within 30 days from the date of receipt of each such AUTHORITY invoice.
- B. An invoice will be deemed to be acceptable by DEPARTMENT within five days of receipt of said invoice by DEPARTMENT unless notification is provided by DEPARTMENT to AUTHORITY within these five days stating the amount of disputed charges, detailing the reasons for the disputed charges, and the actions that DEPARTMENT considers necessary to resolve the disputed invoice amount.
- C. Each quarterly invoice from AUTHORITY to DEPARTMENT will include the quarterly ridership data by month for all Passes used on the local fixed routes and the corresponding fare structure identified in Exhibit B to this Agreement. If DEPARTMENT fails to compensate AUTHORITY within the time period provided, AUTHORITY may refuse to accept Transfer Passes as valid proof of prepaid fare, notwithstanding the possession by a Transfer Pass holder of an unexpired Transfer Pass.

8. TERMINATION FOR CONVENIENCE

Any party may give notice of its intent to terminate this Agreement without cause by giving at least 30 calendar days advance written notice to the other parties. The termination shall be effective as to all parties on the first day of the month following the 30-day notice period. DEPARTMENT shall pay AUTHORITY for all valid Transfer Passes issued up to the effective date of the termination when processed by AUTHORITY in accordance with the terms of this Agreement following the effective date of termination (that last date for processing a pass will be on the one year anniversary of its issuance).

9. CANCELLATION FOR BREACH

Should any party fail to perform its obligations in accordance with the terms of this Agreement, the other party shall have the right to cancel this Agreement for cause by giving written notice specifying the basis of the breach. The notice shall provide the other party with 10 calendar days within which to cure the breach. If the breach is not cured with said 10 calendar days, then this Agreement shall terminate as to all parties upon the end of said time period.

10. CONTINUATION OF AGREEMENT PROVISIONS

The termination or cancellation of this Agreement under the provisions of Articles 8 or 9 shall not terminate those portions of this Agreement related to the payment of monies owed by one party to another or the indemnification provisions of Article 12 for actions which occurred prior to the termination or cancellation of this Agreement.

11. THIRD PARTY BENEFICIARY

Nothing herein shall create and nothing herein shall establish a standard of care for, or create any rights in, any person not a party to this Agreement.

12. INDEMNIFICATION

Each signatory party agrees, by execution of this Agreement, to defend indemnify and hold harmless the other parties and their directors, employees and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which those parties may be subject or put to by reason of, or as a result of, active negligence or willful misconduct by the indemnifying party in its administration of the Transit Transfer Pass Program and this Agreement.

13. RELATIONSHIP BETWEEN THE PARTIES

Nothing in this Agreement is intended to create, and nothing herein shall be considered as creating any partnership, joint venture or agency relationship between the parties. Parties to this Agreement understand and acknowledge that this Agreement is not a contract of employment. Each party shall be liable for any workers' compensation or any other benefits accruing under Federal or State laws for acts of any employee or employees employed by that party in connection with this

San Luis Obispo Council of Governments

Agreement and each party agrees to provide workers' compensation for their own employees in accordance with State law.

14. NONWAIVER

No waiver of any breach of any term of condition of this Agreement shall be construed to be a waiver for any successive breach of the same or any other term or condition of this Agreement. No delay in enforcing any legal right pursuant to this Agreement shall affect in any way its right to elect and attempt to enforce a right under this Agreement. No election to enforce any right or remedy which a party may have shall affect its right to elect and enforce any other right or remedy which it may have either simultaneously or subsequently.

15. MODIFICATION

No waiver, alteration, modification, termination or cancellation of this Agreement shall be valid unless made in writing and signed by the authorized parties hereto.

16. NOTICES

All notices and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (1) on the date of delivery, if delivered personally to the party to whom notice is given, or if made by telecopy directed to the party to whom notice is to be given at the telecopy number listed, or (ii) at the earlier of actual receipt or the second business day following deposit in the United States mail, postage prepaid. Notices and other communications shall be directed to the parties at the address shown below. A party may change the person designated to receive notice, telecopy number, or address from time to time by giving notice to the other party in accordance with the procedures set forth in this Article 16.

AUTHORITY: Ronald L. DeCarli
Executive Director
San Luis Obispo Council of Governments
1150 Osos Street, Suite 202
San Luis Obispo, CA 93401
Phone: (805) 781-4251
FAX: (805) 781-5703

DEPARTMENT: Lam Nguyen, Acting Chief
Division of Rail
California Department of Transportation
1120 "N" Street, Mail Station 74
Sacramento, CA 95814
Phone: (916) 654-3797
FAX: (916) 653-4565

17. GOVERNING AUTHORITY

The interpretation and enforcement of this Agreement shall be governed by the laws of the State of California, the State in which this Agreement was executed, without regard to choice of law principles. The parties agree to submit any dispute arising under this Agreement to a court of competent jurisdiction located in San Luis Obispo, California.

18. SEVERABILITY

If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in full force and effect.

19. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

20. CAPTIONS

The headings or captions to the Articles of this Agreement are not a part hereof and shall have no effect upon the construction or interpretation of any part of this Agreement.

21. INTEGRATION

This Agreement embodies the entire agreement of the parties in relation to the scope of services herein and no other agreement or understanding, verbal or otherwise, exists between the parties.

22. STATE FUND LIMIT

The total of all State reimbursements or payments obligated and encumbered under this Agreement shall not exceed TWO THOUSAND AND FIVE-HUNDRED DOLLARS (\$2,500.00) per year.

IN WITNESS WHEREOF THE PARTIES ENTERED INTO THIS agreement on the day
and year first hereinabove appearing.

ACCEPTED AND AGREED THIS

1st day of January, 2009

SAN LUIS OBISPO COUNCIL
OF GOVERNMENTS

By: _____
Ronald L. DeCarli
Executive Director

APPROVED AS TO FORM
Agency Attorney

By: _____
Attorney
SLOCOG

CALIFORNIA DEPARTMENT OF
TRANSPORTATION
DIVISION OF RAIL

By: _____
Lam Nguyen
Chief
Division of Rail

APPROVED AS TO FORM
Department Attorney

By: _____
Matthew George
Attorney
Legal Division

NATIONAL RAILROAD PASSENGER
CORPORATION

By: _____
Don Saunders
Vice President
Strategic Planning and
Contract Administration

Exhibit A
TRANSIT TRANSFER PASS

(Artwork Pending)

Exhibit B

FARE STRUCTURE FOR REIMBURSEMENT OF TRANSIT TRANSFER PASS

AGREEMENT BETWEEN
CALIFORNIA DEPARTMENT OF TRANSPORTATION AND SAN LUIS OBISPO
COUNCIL OF GOVERNMENTS "SLORTA"

The DEPARTMENT will reimburse AUTHORITY at the rate of \$1.00 per transfer for each Pass collected by AUTHORITY. This rate is the general passenger fare used for all "SLORTA" transit service.